

**Statement of Roque Sanchez, Deputy  
Commissioner,  
U.S. Bureau of Reclamation  
Before the  
U.S. House of Representatives Committee on Natural Resources,  
Subcommittee on Water, Wildlife, and Fisheries  
On**

**H.R. 9514, to make certain modifications to the repayment period and payment of interest for the Fryingspan-Arkansas project in the State of Colorado (Boebert); H.R. 9515, to establish an interest-bearing account for the non-Federal contributions to the Lower Colorado River Multi-Species Conservation Program (Calvert); and H.R. 9969, to provide for a memorandum of understanding to address the impacts of a certain record of decision on the Upper Colorado River Basin Fund (Hageman).**

**November 20, 2024**

Chair Bentz, Ranking Member Huffman, and members of the Subcommittee, I am Roque Sanchez Deputy Commissioner for the Bureau of Reclamation (Reclamation) within the Department of the Interior (Interior). Thank you for the opportunity to provide the Subcommittee an update on Reclamation's activities and provide Interior's views on these bills.

**H.R. 9514, to make certain modifications to the repayment period and payment of interest for the Fryingspan-Arkansas project in the State of Colorado**

The Arkansas Valley Conduit (AVC) was originally authorized in 1962 as part of the Fryingspan Arkansas Project (P.L. 87-590). However, the AVC was not constructed with the original project, primarily because AVC beneficiaries were unable to repay all construction costs as required in the original authorizing legislation. In 2009, Congress amended the original authorization for the Arkansas Valley Conduit under P.L. 111-11, recognizing the increased need to address water quality concerns within the Arkansas Valley. Surface and groundwater in Southeastern Colorado contain naturally occurring radium and uranium, as well as high salinity, selenium, sulfate, hardness, and manganese that exceeds water quality standards year-round. Currently, twelve water providers have concentrations of these elements in the water supplies that exceed federal Safe Drinking Water Act mandatory standards. As a result, the State has issued enforcement actions requiring these water providers to remove the contaminants or find a better-quality water source. In addition, water providers in the lower Arkansas River Basin generally have difficulty meeting non-mandatory secondary drinking water standards for salts, sulfate, and iron.

In order to address these issues, P.L. 111-11 authorized appropriations for construction of the AVC; allowing miscellaneous revenues to be used to construct AVC; and, upon completion, provided for miscellaneous revenues to be credited to the actual costs of AVC. P.L. 111-11 also provided a cost sharing plan of 100% percent federal construction financing, and 35 percent nonfederal repayment over a period of 50 years, starting after project completion.

For the first decade after passage of P.L. 111-11, progress towards construction of the AVC was limited by a variety of factors, increasing the cost of the proposed project. In 2019,

Reclamation staff and the project's non-federal repayment entity, the Southeastern Colorado Water Conservancy District (SECWCD), made significant progress and identified a number of modifications to the proposed project that would reduce costs by as much as \$200 million from the prior 2014 configuration of the project. Following that work, Reclamation sought, and Congress provided, significant funding to get the construction of the project started. Since then, thanks to passage of the Bipartisan Infrastructure Law, Reclamation has provided more than \$320 million for the project, and construction of the first two segments of the project is well underway.

Earlier this year, Reclamation updated the estimated cost for the project and found it had significantly increased over estimates used in 2019. This increase in costs is not unique to the Arkansas Valley Conduit and is consistent with broad trends for heavy civil works projects across the West. Given this increase, the project beneficiaries are again faced with challenges to repay their share of construction of the project, as directed under P.L. 111-11.

To address this concern, H.R. 9514 would adjust the repayment obligation for the Arkansas Valley Conduit by removing interest payments and extending the timeline for repayment from 50 to 100 years. These changes are intended to address dynamic economic conditions and seek to find a more appropriate financing arrangement, in view of the updated understanding of the costs associated with the project.

P.L. 111-11 explicitly requires that interest should be applied for M&I allocations within the legislation, removing any discretion from the Secretary. For most Reclamation projects, M&I is a relatively small portion of the use within an overall multipurpose project and the amount of repayment allocated to M&I purposes is low. In this way, the Arkansas Valley Conduit is unique within Reclamation's authorized projects – keeping many of the traditional aspects of a federally constructed Reclamation Project, including a requirement for repayment of the significant upfront cost, while only serving M&I purposes rather than the irrigation function more typical of legacy Reclamation projects.

Reclamation continues to support completion of the AVC and supports the modifications proposed under his H.R. 9514. Without the AVC, prior analysis by Reclamation has indicated that these communities could see the cost of drinking water triple to meet water quality standards. Given that the AVC-area communities are already in economically disadvantaged counties, this increased cost would likely have significant negative effect. By completing the AVC project, Reclamation not only helps these communities implement a solution they have long worked together to achieve, but also fulfills a commitment the federal government made decades ago. Simply put, families and communities across the Lower Arkansas Valley face rising water treatment costs in a declining local economy. Without a realistic option for the coming decades, these same communities would be unlikely to achieve sustainable water treatment.

The Department supports efforts to improve access to reliable, clean drinking water as an essential human need that is critical to the public health, well-being, educational attainment, and economic development of all communities in the United States. The modifications proposed under H.R. 9514 are within that commitment and necessary to ensure that the costs

of the AVC remain reasonable and affordable for the rural communities that will depend on it.

**H.R. 9515, to establish an interest-bearing account for the non-Federal contributions to the Lower Colorado River Multi-Species Conservation Program**

The Lower Colorado River Multi-Species Conservation Program (LCR MSCP) was established in 2005 by the Department of the Interior along with representatives from agencies within Arizona, California, and Nevada. The LCR MSCP is a 50-year, multi-stakeholder, Federal and non-Federal partnership that seeks to balance the use of lower Colorado River water resources with the conservation of 26 native species and their habitats in compliance with the Endangered Species Act.

The LCR MSCP was developed through a collaborative partnership with State leaders, local stakeholders and the Department. This innovative program addresses the needs of threatened and endangered fish and wildlife on the lower Colorado River while assuring greater reliability of water deliveries and hydropower production. By meeting the needs of fish and wildlife listed under the Endangered Species Act, as well as preventing the need to list additional species, the MSCP provides greater certainty of continued water and power supplies from the river for Nevada, California and Arizona now and into the future.

In 2009, under P.L. 111-11, the LCR MSCP was congressionally authorized in accordance with the existing program documents, with the Secretary charged with implementing the program. Implementing the LCR MSCP will help create at least 8,132 acres of new habitat (5,940 acres of cottonwood-willow, 1,320 acres of honey mesquite, 512 acres of marsh, and 360 acres of backwater) and produce 660,000 subadult razorback suckers and 620,000 bonytail to augment the existing populations of these fishes in the LCR. In addition, a robust research and monitoring program has been developed and implemented for LCR MSCP-covered species and their habitats.

The Bureau of Reclamation is the implementing agency and funds 50 percent of the program. The other 50 percent is funded by partners in Arizona, California, and Nevada. At present, the LCR MSCP has received contributed funds from the non-federal Partners in excess of \$70 million. However, these funds will not be needed or used for several years while additional quarterly contributions will continue to be contributed for another 31 years. These funds are currently maintained by Reclamation in a non-interest-bearing account. Reclamation does not have the authority, absent further congressional direction, to place this funding in an interest-bearing account.

H.R. 9515 would adjust the LCR MSCP's authorization under P.L. 111-11 to authorize the establishment of an interest-bearing account for the non-federal contributions to the program. Specifically, it directs the Secretary of the Treasury to establish and deposit existing and future non-Federal contributions into a fund titled "Non-Federal Funding Account for the Lower Colorado River Multi-Species Conservation Program" (Fund). Further this act would allow the Secretary of the Interior to invest any portion of the Fund that is not required to meet the current needs of the Fund into a public debt security, while granting access to make use of the amounts within the Fund without further appropriation.

Reclamation supports the Lower Colorado River Multi-Species Conservation Program Amendment Act of 2024. H.R. 9515 would help to offset inflation for the non-federal contributions to the program that have been and will be collected. Over the remaining 31 years of the Program, the interest will help offset the effect of inflation without any additional funding needed from either Federal or Non-Federal partners. This increase in funding will allow the LCR MSCP to be more successful while reducing the need for future Federal appropriations to support the Program goals.

**H.R. 9969, to provide for a memorandum of understanding to address the impacts of a certain record of decision on the Upper Colorado River Basin Fund**

Glen Canyon Dam is the key water storage unit of the Colorado River Storage Project, one of the most complex and extensive river resource developments in the world. Without it, development of the Upper Colorado River Basin states' portion of the Colorado River would not be possible. Hydroelectric power produced by the dam's eight generators helps meet the electrical needs of the West's rapidly growing population. With a total capacity of 1,320 megawatts, Glen Canyon Powerplant produces around four billion kilowatt-hours of hydroelectric power annually which is distributed by the Western Area Power Administration (WAPA) to Wyoming, Utah, Colorado, New Mexico, Arizona, Nevada, and Nebraska.

The Upper Colorado River Basin Fund (Basin Fund) was established under Section 5 of the 1956 Colorado River Basin Project Act. The legislation authorized a separate fund in the U.S. Treasury where appropriations for construction of Colorado River Storage Project (CRSP) facilities, except recreation and fish and wildlife facilities constructed under Section 8, are transferred to the Basin Fund from the General Fund of the Treasury. Revenues derived from operation of the CRSP and participating projects are deposited in the Basin Fund. Most of the revenues come from sales of hydroelectric power and transmission services. The Basin Fund also receives revenues from M&I water service sales, rents, and miscellaneous revenues collected in connection with the operation of the CRSP and participating projects.

In 2016 the Department published a final Environmental Impact Statement (EIS) and Record of Decision (ROD) for the Glen Canyon Dam Long Term Experimental and Management Plan (LTEMP) in order to implement a structured, long-term experimental and management plan for operations of Glen Canyon Dam. The LTEMP has provided a framework for adaptively managing Glen Canyon Dam operations and other management and experimental actions consistent with the Grand Canyon Protection Act and other provisions of applicable Federal Law. This includes, among other items, the need to meet statutory responsibilities for preventing jeopardy to species listed under the Endangered Species Act. The LTEMP does not change the volume of annual releases from Glen Canyon Dam or the amount of water available to each Colorado River Basin State; it only affects the timing of Glen Canyon Dam releases within a water year.

As Lake Powell's elevation has declined and water released from Glen Canyon Dam has warmed in recent years, warmwater invasive fish such as smallmouth bass residing in the upper layer of Lake Powell have been able to pass through the dam and successfully spawn

downstream in the Grand Canyon. These warmwater predatory fish can prey on native fish species, including the federally protected humpback chub. Reclamation has analyzed various flow options from Glen Canyon Dam in the 2024 LTEMP SEIS to help disrupt the establishment of nonnative fish, primarily smallmouth bass. An important component of the SEIS was an evaluation of the impacts to the production of hydropower under the various alternatives. The SEIS indicated that the impacts to hydropower would range from \$0 to over \$200M, with the high end estimate only applicable under very dry scenarios with repeated use of flows. The anticipated impacts in 2024 are estimated between \$15 and \$20M. Reclamation is also seeking additional ways to ensure compliance with the Endangered Species Act and potential impacts to the threatened Humpback Chub, whose primary populations reside in the Colorado River below Glen Canyon Dam.

Reclamation implemented Smallmouth Bass flows on July 9, 2024. As of November 7, the flows are having the intended cooling effect, and smallmouth bass spawning has not been detected even with increased sampling. The cost of the smallmouth bass flows through November 2024 is estimated to be approximately \$17 million, within the estimated range. Moreover, the Bureau of Reclamation has worked with the Western Area Power Administration on a weekly basis to adjust flows to mitigate hydropower impacts. This has resulted in an estimated \$300,000 to \$400,000 cost saving per week. Reclamation is collecting data on the efficacy and cost of smallmouth bass flows in 2024 to assess whether future flows in 2025-2026, if triggered, will be warranted.

Reclamation understands that the intent of H.R. 9969 is to explore and address the impact of the July 2024 “Supplement to the 2016 Glen Canyon Dam Long-Term Experimental and Management Plan Record of Decision” on the Upper Colorado River Basin Fund. The memorandum of understanding between the Bureau of Reclamation and the Western Area Power Administration, in consultation with the Glen Canyon Dam Adaptive Management Work Group, described in the bill would provide an opportunity for the agencies to investigate and better understand impacts to the Basin Fund and to hydropower customers.

Reclamation understands the intent of H.R. 9969 is to address the impact that implementation of the LTEMP SEIS ROD on the Basin Fund and hydropower operations broadly. We share the sponsor’s desire to avoid negative unintended consequences. As such, we support H.R. 9969 and welcome the opportunity to engage in meaningful, proactive discussions with WAPA under the proposed MOU, as well as further consulting with the Glen Canyon Dam Adaptive Management Work Group.

**Statement for the Record  
U.S. Fish and Wildlife Service**

**House Committee on Natural Resources  
Subcommittee on Water, Wildlife and Fisheries**

**Legislative Hearing on  
H.R. 7642, To Reauthorize the Junior Duck Stamp Conservation and Design Program Act  
of 1994**

**November 20, 2024**

**Introduction**

The U.S. Fish and Wildlife Service (Service) appreciates the opportunity to submit a statement for the record on H.R. 7642, To Reauthorize the Junior Duck Stamp Conservation and Design Program Act of 1994. The Service supports H.R. 7642, which would continue a 30-year legacy of bolstering conservation education programs in the United States.

The mission of the Service is working with others to conserve, protect, and enhance fish, wildlife, and plants and their habitats for the continuing benefit of the American people. The Service's efforts to achieve this mission span a wide variety of programs, including the Federal Duck Stamp Office, which works to engage youth across the nation with our mission and recognize the role of young people in wildlife and habitat conservation.

H.R. 7642 would reauthorize the Junior Duck Stamp program through 2030. This legislation would make two primary changes to the program, including replacing broader eligibility language with the specific listing of U.S. territories or possessions eligible to participate. Secondly, H.R. 7642 would increase the authorization of appropriations available to the program.

**Background**

The Junior Duck Stamp program began in 1989 as an extension of the Migratory Bird Conservation and Hunting Stamp, which is more commonly known as the Federal Duck Stamp. The Junior Duck Stamp program was later formally recognized by Congress through the Junior Duck Stamp Conservation and Design Program Act of 1994. While the Federal Duck Stamp is required annually for all waterfowl hunters, helping to raise over \$1.2 billion to conserve over 6 million acres of habitat since 1934, the Junior Duck Stamp is a non-regulatory program. The Junior Duck Stamp is a pictorial stamp produced by the Service to recognize the conservation efforts of young people and support conservation in the classroom, homeschool, and non-formal education settings. To enhance learning across these educational environments, the Service has a four-part curriculum guide with activities and resources for students to explore science in real-life applications and learn about natural resource careers. The curriculum meets National Science Education Content Standards, North American Association for Environmental Education Guidelines for Learning, and National Visual Arts Education Content Standards. Each year the program reaches over 300,000 students and families in all 50 states, the District of Columbia, and the U.S. territories.

Like the Federal Duck Stamp, the Junior Duck Stamp program also administers a popular art contest to choose the winning design that will be placed on each year's stamp. The art contest was first started in 1993, with designs submitted from eight states. In 2024, the winning design was selected out of 15,000 entries from all 50 states, Washington D.C., Puerto Rico, and the U.S. Virgin Islands, demonstrating the growing participation and interest in the program. The art contest encourages students to use scientific and wildlife management principles to communicate visually about what they've learned through the program.

Approximately 4,000 Junior Duck Stamps are sold annually for \$5 each, raising \$20,000 for conservation education, wildlife art-related activities and programs, student recognition, and program promotion. 100% of the proceeds from stamp sales are distributed to state coordinators, including partners from federal and state agencies, non-governmental organizations, and academic institutions, who assist with program implementation in each of the participating states. Previously, the program has not received directed appropriations from Congress. The Service uses resource management funds to perform all administrative aspects of the program, which includes all staff salaries, overhead costs such as postage, and covering any shortfalls in the Junior Duck Stamp sale revenues that support program promotion, educational activities, and administration of the state and national-level art contests.

#### **H.R. 7642, To Reauthorize the Junior Duck Stamp Conservation and Design Program Act of 1994**

H.R. 7642 would continue three decades of the Service's success in engaging young people and communities in environmental education and waterfowl conservation. The Junior Duck Stamp is one example of the creative ways in which art and other disciplines can be used to reach a broader audience to increase support for conserving species that are valuable to hunters, recreationists, and ecological communities alike. We appreciate the sponsors' and Subcommittee's continued support for this valuable program.

The reauthorization of the Junior Duck Stamp program would allow the Service to ensure the opportunities provided by the program continue through 2030. While the technical edits to strike “, and any other territory or possession” in Section 5 of 16 USC 719b-1 are unlikely to impact how the Service implements the legislation, the Service does note that students and educators located on military bases, whether in a state, territory, or abroad, are also eligible to participate. We would welcome the opportunity to work with the Subcommittee to ensure Congress's intent is for military installations to remain eligible, despite the greater specificity on eligible participants.

Secondly, H.R. 7642 would increase the authorization of appropriations for the program. Due to rising student participation, coupled with increasing costs after the COVID-19 pandemic, the amount required to administer the program has increased. If funded, the increased authorization of appropriations would allow the Service to maintain current levels of program delivery while increasing funding support for state coordinators and local programs. Additionally, the current need for the Service to administer the program using resource management funding results in reduced capacity for other conservation and education activities. The authorization levels reflected in H.R. 7642 would more closely align with the Service's Fiscal Year 2025 budget

request for a \$500,000 increase to grow participation in the program with an initial focus in states that are home to Urban National Wildlife Refuges.

**Conclusion**

The Service supports H.R. 7642, which would provide important support to environmental education and efforts to engage young people in waterfowl conservation. We appreciate the sponsors' and the Subcommittee's interest in waterfowl hunting, outdoor recreation, and conservation and the continued support for the Junior Duck Stamp program. The Service remains committed to working with federal and state agencies, nongovernmental organizations, businesses, and educators to increase youth engagement with natural resources. We look forward to working with the sponsors and Subcommittee on this legislation.